EXPLANATION: Matter <u>underlined</u> is new; matter in brackets and stricken [--] is material to be repealed.

BILL NO.

ORDINANCE NO.

AN ORDINANCE TO AMEND TITLE 18, CHAPTER 8, ARTICLE II, OF THE RENO MUNICIPAL CODE TITLED "PERMITTED USES AND USE REGULATIONS", SECTION 18.08.202 TITLED "ADDITIONAL REGULATIONS FOR PRINCIPAL USES" REGARDING ADULT USES; AND OTHER MATTERS PROPERLY RELATING THERETO.

SPONSORED BY:

THE CITY COUNCIL OF THE CITY OF RENO DOES ORDAIN:

SECTION 1. Title 18, Chapter 8, Article II, § 18.08.202(b)(1) of the Reno Municipal Code is hereby modified to read as follows:

Section 18.08.202. - Additional Regulations for Principal Uses.

- (a) Commercial Sales and Service Use Regulations.
 - (1) Adult business.
 - a. Purpose; findings and [intent] rationale.
 - 1. The purpose[-and intent] of these adult business regulations is to prevent crime, protect the city tourist and retail trade, maintain property values, and preserve the quality of the city's neighborhoods, commercial districts[-] and[-the quality of] urban life, and [to-]permit reasonable alternative avenues of communication to prevent the proliferation of illegal sex-related businesses. Similarly, it is neither the intent note effect of this code to restrict or deny access by adults to adult businesses protected by the First Amendment; nor is it to suppress any speech activities protected by the First Amendment. Instead, the intent is to enact a content-neutral ordinance which addresses the adverse secondary effects of adult businesses.

The predominant concern of these regulations is the limitation and prevention of the adverse secondary effects of the operation of adult businesses which manifest through exposure of minors to adult business activities and materials (including in the form of exterior signage), distraction to motorists, harm to neighboring properties, businesses and tourism, spread of disease, commission

- of crime and exacerbation of these effects by the clustering of adult businesses and allowance and use of alcohol on the premises of adult businesses.
- [2. Pursuant to NRS 278.022 et seq., special regulation of adult businesses is necessary to ensure that any possible secondary effects of these businesses will not be experienced by young people nor contribute to the blighting or downgrading of surrounding neighborhoods nor detract from the tourism efforts of the city, its redevelopment agency, and private businesses. With this in mind, the following purposes will be furthered by the adoption of this regulation:
 - [i. To prevent exposure of materials subject to regulation by this section to minors;][ii. To prevent location of adult businesses near areas frequented by minors;]
 - [iii.To prevent the concentration or clustering of adult businesses in any one area and away from areas frequented by tourists;]
 - [iv. To limit the potential spread of sexually transmitted diseases and the opportunity for the commission of public offenses, including but not limited to, solicitation, prostitution, and the trafficking of controlled substances.]
- 2. The provisions of these regulations have neither the purpose nor effect of imposing a limitation or restriction on the content of any communication, including adult business-related materials or performances. Similarly, it is neither the intent nor effect of these regulations to restrict or deny access by adults to adult business-related communication protected by the First Amendment, or to deny access by the distributors, exhibitors, and performers of adult business-related communication to their intended market. Likewise, the City seeks to assure adequate locations within the City of Reno for the conduct of adult businesses, and that regulations governing adult businesses are content neutral reasonable time, place and manner regulations furthering the purpose of these regulations.
- 3. [The city council recognizes that adult businesses, because of their potentially objectionable operational characteristics, can have a deleterious effect on adjacent properties, particularly when several of them are positioned in close geographic proximity. This regulation is designed to minimize these effects.]

 Based on evidence of the adverse secondary effects of the operation of adult businesses presented in hearings and in reports made available to the City Council, including findings and interpretations incorporated in multiple court

cases, and including multiple studies and reports concerning secondary effects occurring in and around adult businesses¹, the City Council finds:

¹The City relies upon the following evidence of adverse secondary effects of adult business uses presented in hearings and in reports made available to the City Council, and on findings, interpretations, and narrowing constructions incorporated in the cases and studies listed below:

City of Littleton, Colo. v. Z.J. Gifts D-4, L.L.C., 541 U.S. 774 (2004); City of Los Angeles v. Alameda Books, Inc., 535 U.S. 425 (2002); City of Erie v. Pap's A.M., 529 U.S. 277 (2000); Barnes v. Glen Theatre, Inc., 501 U.S. 560 (1991); City of Dallas v. Stanglin, 490 U.S. 19 (1989); Ward v. Rock Against Racism, 491 U.S. 781 (1989); Boos v. Barry, 485 U.S. 312 (1988); City of Renton v. Playtime Theatres, Inc., 475 U.S. 41 (1986); N.Y. State Liquor Authority v. Bellanca, 452 U.S. 714 (1981); Young v. American Mini Theatres, Inc., 427 U.S. 50 (1976); California v. LaRue, 409 U.S. 109 (1972); Fantasyland Video, Inc. v. County of San Diego, 505 F.3d 996 (9th Cir. 2007); Gammoh v. City of La Habra, 395 F.3d 1114 (9th Cir. 2005); World Wide Video of Washington, Inc. v. City of Spokane, 368 F.3d 1186 (9th Cir. 2004); Spokane Arcade, Inc. v. City of Spokane, 75 F.3d 663 (9th Cir. 1996); Tollis, Inc. v. County of San Diego, 505 F.3d 935 (9th Cir. 2007); Cricket Store 17, L.L.C. v. City of Columbia, 676 Fed. Appx. 162, 166 (4th Cir. 2017); BBL, Inc. v. City of Angola, 809 F.3d 317 (7th Cir. 2015); Foxxxy Ladyz Adult World, Inc. v. Vill. of Dix, Ill., 779 F.3d 706 (7th Cir. 2015); Green Valley Investments v. Winnebago County, Wis., 794 F.3d 864 (7th Cir. 2015); Entm't Productions, Inc. v. Shelby County, Tenn., 721 F.3d 729 (6th Cir. 2013); Lund v. City of Fall River, MA, 714 F.3d 65 (1st Cir. 2013); Peek-a-Boo Lounge v. Manatee County, 630 F.3d 1346 (11th Cir. 2011); 84 Video/Newsstand, Inc. v. Sartini, 455 Fed. Appx. 541 (6th Cir. 2011); Imaginary Images, Inc. v. Evans, 612 F.3d 736 (4th Cir. 2010); TJS of New York, Inc. v. Town of Smithtown, 598 F.3d 17 (2d Cir. 2010); Indep. News, Inc. v. City of Charlotte, 568 F.3d 148 (4th Cir. 2009); Richland Bookmart, Inc. v. Knox County, Tenn., 555 F.3d 512 (6th Cir. 2009); Sensations, Inc. v. City of Grand Rapids, 526 F.3d 291 (6th Cir. 2008); 729, Inc. v. Kenton County Fiscal Court, 515 F.3d 485 (6th Cir. 2008); H And A Land Corp. v. City of Kennedale, Tex., 480 F.3d 336 (5th Cir. 2007); Daytona Grand, Inc. v. City of Daytona Beach, 490 F.3d 860 (11th Cir. 2007); Fantasy Ranch, Inc. v. City of Arlington, 459 F.3d 546 (5th Cir. 2006); Ben's Bar, Inc. v. Village of Somerset, 316 F.3d 702 (7th Cir. 2003); Pleasureland Museum, Inc. v. Beutter, 288 F.3d 988 (7th Cir. 2002); Excalibur Group, Inc. v. City of Minneapolis, 116 F.3d 1216 (8th Cir. 1997); City of Las Vegas v. Eighth Judicial Dist. Court of State ex rel. County of Clark, 122 Nev. 1041, 146 P.3d 240 (2006); CDH Food & Beverage, Inc. v. Kane County, Illinois, 15 C 4282, 2017 WL 4339801, at *1 (N.D. III. Sept. 29, 2017); Phantom Ventures LLC v. DePriest, 15-CV-13865-IT, 2017 WL 903456 (D. Mass. Mar. 7, 2017); MJJG Rest. LLC v. Horry County, 102 F. Supp. 3d 770 (D.S.C. 2015); Oasis Goodtime Emporium I, Inc. v. City of Doraville, 297 Ga. 513 (2015); Showtime Entertainment, LLC v. Town Of Mendon, 472 Mass. 102 (2015); Cricket Store 17, L.L.C. v. City of Columbia, 676 Fed.Appx. 162 (2017); McKibben v. Snohomish County, 72 F. Supp. 3d 1190 (W.D. Wash. 2014); J.L. Spoons, Inc. v. Ohio Dept. of Pub. Safety, 31 F. Supp. 3d 933 (N.D. Ohio 2014); Foster v. City of El Paso, 396 S.W.3d 244 (Tex. App. El Paso 2013); Borough of Sayreville v. 35 Club L.L.C., 208 N.J. 491 (2012); RCI Entm't (San Antonio), Inc. v. City of San Antonio, 373 S.W.3d 589 (Tex. App. 2012); Ocello v. Koster, 354 S.W.3d 187 (Mo. 2011); Uniontown Retail No. 36, LLC v. Board of Com'rs of Jackson County, 950 N.E.2d 332 (Ind. Ct. App. 2011); and 104 West Washington Street II Corp. v. City of Hagerstown, 173 Md. App. 553 (2007).

Reports, scholarly literature, and expert testimony concerning secondary effects occurring in and around adult businesses, including, but not limited to:

"Mapping Commercial Sex Advertising around Reno, NV," (2016) Data Science Lab Creighton University Omaha, NE; The Association of Adult Businesses with Secondary Effects: Legal Doctrine, Social Theory, and Empirical Evidence, (2012) Alan C. Weinstein & Richard D. McCleary; "Does the Presence of Sexually Oriented Business Relate to Increased Levels of Crime? An Examination Using Spatial Analyses," (2012) Eric S. McCord & Richard Tewksbury; Testimony on SB 3348 Before Illinois State Senate Public Health Committee regarding secondary effects of "live entertainment facilities" (2012) Richard McCleary & Lori Sexton; Secondary Effects of Sexually-Oriented Businesses - Testimony on Missouri House Bill 1551 (2010) Richard McCleary; The First Amendment In Chaos: How The Law Of Secondary Effects Is Applied And Misapplied By the Circuit Courts, (2009) Daniel R. Aaronson, Gary S. Edinger, & James S. Benjamin; Do 'Off-Site' Adult Businesses Have Secondary Effects? Legal Doctrine, Social Theory, and Empirical Evidence (2009) Alan C. Weinstein & Richard D. McCleary; An Assessment

- i. Adult businesses, as a category of commercial uses, are associated with a wide variety of adverse secondary effects including, but not limited to, personal and property crimes, prostitution, potential spread of disease, lewdness, public indecency, obscenity, illicit drug use and drug trafficking, negative impacts on surrounding properties, urban blight, exposure of minors to adult business activities and materials (including in the form of exterior signage), exposure of minors to alcohol and adverse secondary effects associated with adult businesses, decrease in nearby property value in both commercial and residential areas, economic vitality of nearby businesses, litter, and sexual assault and exploitation. Alcohol consumption impairs judgment and lowers inhibitions, thereby increasing the risk of and exacerbating adverse secondary effects.
- <u>ii.</u> Adult businesses should be separated by suitable zoning location and reasonably spaced from sensitive land uses to minimize the impact of their secondary effects upon such uses.
- iii. Each of the foregoing negative secondary effects constitutes a harm which the City has a substantial government interest in preventing and/or abating. This substantial government interest in preventing secondary effects, which is the City's rationale for this section of code, exists independent of any comparative analysis between adult businesses and non-adult businesses. In addition, the City's interest in regulating adult businesses extends to preventing future secondary effects of either current or future adult businesses that may locate in the city. The City finds that the cases and documentation relied on in this section of code are reasonably believed to be relevant to said secondary effects.
- 4. [Finally, it is recognized that there have been many court cases since 1980 with respect to presumed first amendment businesses, and it is the intent of this ordinance to act consistently with respect to the holdings of those cases by assuring adequate locations within the City of Reno for the conduct of adult businesses and that regulations governing adult businesses are content neutral

of

of the Adult Entertainment Industry in Texas – Comprehensive Report (2009) The Bureau of Business Research, IC Institute, and the Institute on Domestic Violence and Sexual Assault of The University of Texas at Austin; Survey of Texas Appraisers: Secondary Effects of Sexually-Oriented Businesses on Market Values (2008) Texas City Attorneys Association Commission, Connie B. Cooper, FAICP, & Eric Damian Kelly, Ph.D., FAICP; Survey of Florida Appraisers: Effects of Land Uses on Market Values, (2008) Duncan Associates, Damian Kelly, Ph.D., FAICP, & Connie B. Cooper, FAICP; "Do Peep Shows 'Cause' Crime? A Response to Linz, Paul and Yao," (2006) Richard McCleary & James W. Meeker; Adult cabarets in Seattle (2006) Department of Planning and Development Director's Report; NLC Summaries of 43 "SOB Land Use" Studies: Crime Impact Studies on Harmful Secondary Effects of Sexually Oriented Businesses, (2005) National Law Center for Children and Families; A Report on the Secondary Impacts of Adult Use Businesses in the City of Denver (1998) Zoning Administration, Office of Planning and Development, Department of Public Safety, Department of Excise and Licenses, Assessor's Office, & City Attorney's Office; and Adult Entertainment Study (1994) Department of Planning, City of New York.

reasonable time, place and manner regulations furthering the purposes of this section. The City hereby adopts and incorporates herein its stated findings and legislative record related to the adverse secondary effects of adult businesses, including the judicial opinions, expert testimony, scholarly literature, and reports related to such secondary effects.

- b. **Exception**. [An "adult bookstore"]A business licensed under Title 4 which only has a segment or section devoted to the sale, lease or display of material referred to in the definition of "adult bookstore" in Section 18.24.203 of this title is not subject to regulation under this subsection if all of the following criteria are met:
 - 1. The [segment or section]total square footage of the area devoted to said material does not exceed seven percent of display or retail floor space of the business or 200 square feet of display area or retail floor space the business, whichever is less; and
 - 2. The material is available only for sale or lease for private use by the purchaser or lessee outside and off the premises of the business; and
 - 3. The [segment or section]area devoted to said [materials]material is segregated by partition, separate internal entrance, or otherwise obscured from casual observance by minors; and
 - 4. The [segment or section] area devoted to said material is clearly signed to prohibit access by minors; and
 - 5. The [segment or section]area devoted to said material is adequately staffed or within view of staff or otherwise controlled to assure monitoring of minors who may seek access to said [segment or section.]area; and
 - 6. The business in which such [a segment or section]an area is located may not advertise itself or hold itself out to the public in any way as being an adult [business]bookstore, whether by store window displays, signs, or other means[-]; and
 - 7. No product, picture, photograph, graphic or other representation identifying products, entertainment or entertainers depicting merchandise or pictures of the products or entertainment on the premises that falls within the materials as described under the definition of "adult bookstore" in Section 18.24.203 shall be displayed in window areas or any area where it may be viewed from the exterior of the building; and
 - 8. [7.—]The business in which the [segment or section] area devoted to said [materials] material is located is not licensed pursuant to Section 5.11 et seq. of the Reno Municipal Code for "Gaming," or any other numbered section to which these activities may be assigned [-]; and

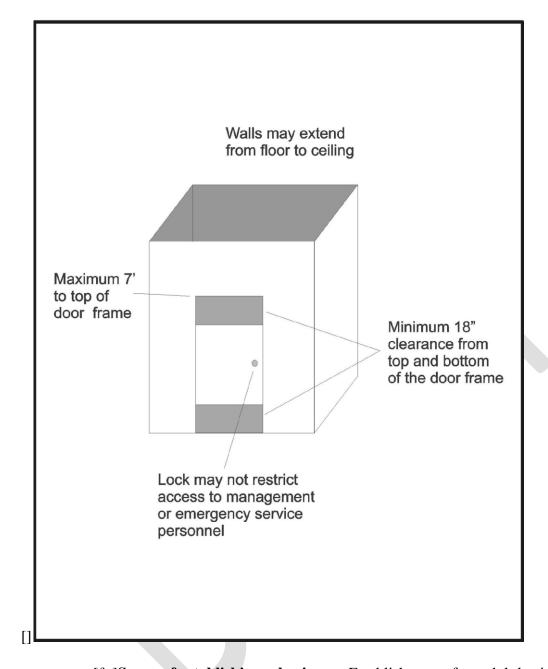
- 9. [8.—]A business wherein an exception as defined by the above criteria is established cannot be combined with any other area or business to result in an increase in the floor area devoted to this activity beyond the maximum specified in b.1. above.
- c. **Locational criteria**. Adult businesses, as defined in Section 18.24.203 may be located only in the I (Industrial), IB (Industrial Business) and the IC (Industrial Commercial) Districts provided they comply with all of the following:
 - 1. No adult business may be located within the [—Downtown] Redevelopment [Area] Areas 1 and/or 2 (RDA 1 and/or RDA 2) as measured from the building footprint of the adult business to the property line of the nearest parcel within the prohibited area.
 - 2. No adult business may be located on a parcel which abuts a freeway, expressway, major or minor arterial roadway.
 - 3. No adult business may be located within 750 feet of any:
 - i. Residentially zoned district;
 - [ii. Unrestricted gaming operation;]
 - <u>ii.</u> [iii.] Public or private university, college, <u>or school</u>[, preschool as defined];
 - iii. <u>Preschool or child care facility licensed</u> by the Washoe County Social Services Department; [or-]
 - iv. Park or playground as measured from the building footprint of the adult business to the property line of the [above-characterized property]park or playground.
 - 4. [v.]No adult business may be located within [1,000]500 feet of any[:][• Adult] other adult business[:-].
 - [* Cabaret as defined in Title 5, Section 5.07.170 of RMC (Cabaret Licenses), Category "B" or "C", as measured from the building footprint of the adult business to the property line of the above characterized property; or]
 - [* Adult interactive cabaret as defined in Title 5, Section 5.06.011 of RMC as measured from the building footprint of the adult business to the property line of the above-characterized property.]

d. Operational requirements.

1. Hours of operation. No adult business located outside of the industrial zoning districts shall operate or remain open for more than 17 hours within a single 24-

- hour period[, unless a special use permit for extended hours of operation is approved pursuant to Section 18.06.405 (Special Use Permit)].
- 2. Alcohol. No alcohol of any kind shall be sold, served, provided, used, allowed, consumed, possessed, or permitted at any time on any licensed premises or at any adult business if the location of the adult business is nonconforming.
- 3. [2.]Signs and displays. In addition to the sign limitations of zone in which the business is located, all adult businesses shall be subject to the following sign regulations:
 - i. No [product for sale or gift, or picture or other representation thereof shall be displayed be visible from the street or exterior of the building] flashing lights, search lights, spotlights, or any other similar lighting systems or animated signs or displays are allowed anywhere that can be visible from the sidewalk, street or any exterior portion of the building, including the public right-of-way.
 - ii. The following signs must be posted at each entrance and at least one interior wall of the building, clearly visible to the public:
 - a. All adult businesses require signage stating: "No outside alcoholic beverage of any kind may be brought in to the premises."
 - b. [•] If the adult business does not serve, provide, or permit the consumption of alcohol on premises, then the following sign is required: "No one under the age of 18 is allowed in [these] the premises."
 - c. [* No alcoholic beverage of any kind is] If the adult business does serve, provide, or permit the consumption of alcohol on premises and holds a valid alcohol license, then the following sign is required: "No patrons under the age of 21 are allowed [in] on these premises."
 - iii. Lettering must be at least one and one-half inches in height.
- 4. [3.—]Adult motion picture arcade. Individual enclosures shall comply with Figure 18.08-2. Side and rear walls may extend from floor to ceiling. The entrance to the enclosure shall maintain a minimum clearance of 18 inches from the top and bottom of the door frame. Door frames shall not exceed seven feet in height. The opening may not be blocked at any time by a door, wall, curtain or other partition. A ventilation device or hole in a booth must be covered by a permanently affixed ventilation cover. A ventilation hole may be located only within one foot from the top of or one foot from the bottom of the booth walls, or both. Enclosures shall be configured in such a manner that there is an unobstructed view from a manager's station to the interior of the enclosure or a

- video surveillance system installed to monitor customer activity. Locks or barriers to entry shall not be installed on the doors which would restrict access by management or emergency service personnel. Enclosures shall comply with ADA requirements.
- 5. [4.-] <u>Interior Lighting</u>. The public area including but not limited to video sale or rental or the viewing area of an adult bookstore must have lighting which is a minimum of 30 foot candle power when measured at a point of 60 inches from the floor.
- 6. Exterior Lighting. All exterior walls shall provide minimum exterior lighting of the building of no less than three foot candles measured from the ground level immediately adjacent to the exterior wall.
- 7. Exterior Video Monitoring. All exterior portions of the business shall be monitored by electronic video. Monitoring shall be recorded, and the video recording shall be maintained for at least five days from the date and time of recording.
- [e. Waiver. The city council may waive one or more of the locational criteria contained in c. above for any adult business if all of the following findings are made:]
 - [1. The proposed use will not be materially adverse to properties within 750 feet;]
 - [2. The proposed use will not result in the deterioration of the area, including but not limited to deterioration of property values, increased crime rates, decrease in property maintenance, or change to demographics of the area within 1,500 feet; and]
 - [3. The establishment of an additional adult business in the area will not be contrary to any program of neighborhood conservation nor will it interfere with any program of urban renewal within 1,500 feet.]



- e. [f.-]Scope of establishing a business. Establishment of an adult business, as used in this section, shall include the opening of such business as a new business, the relocation of such business, the enlargement of such business in either scope or area, or the conversion of an existing business location to any of the uses described in this section.
- [g. Nonconformance. All adult businesses legally established prior to the effective date of this ordinance which do not comply with the provisions of its sections shall be deemed nonconforming and may continue to operate provided, however, that any preexisting adult businesses will further be subject to the provisions of Article V

(Nonconformities) of this chapter. No legally established adult business shall be deemed nonconforming solely by virtue of the subsequent creation or expansion of any other use or zone.]

- <u>f.</u> [h.]Amortization. Those licensees not in conformance with the provisions of this chapter at the date of adoption of this ordinance shall[have a period of one year to conform to the requirements of this chapter unless, by application to the city council, a further time period is allowed by the city council based upon undue hardship.]: if the business is nonconforming due to its location: [and the business owner has title to the subject real property, the requirement to discontinue the locational nonconformity by relocating the business will apply only in the event of a change of ownership by sale or transfer or bequest.]
 - 1. Be limited to the following signage requirements within six months of adoption of this ordinance: (a) one square foot of sign area per lineal foot of building frontage, (b) flat wall signs only, and (b) shall be prohibited from the use of electrically activated signs (including, but not limited to, digital signs); and
 - 2. <u>Terminate all sale, service, provision, use, allowance, consumption, possession, or permittance of alcohol on the premises within one year of the date of adoption of this ordinance; and</u>
 - 3. Cease its adult business operation in a non-conforming location within five years of the date of adoption of this ordinance. At the conclusion of said five years, the use will no longer be recognized as a lawful nonconforming use and must conform to the requirements of this section (RMC 18.08.202(b)(1)).

g. [i.-] Written decision required.

- 1. Decisions shall be in writing.
- 2. Decisions shall include an explanation setting forth the reasons for the decisions.

[j. Time limitations on review of applications.]

- [1. The following are time limitations on the pertinent decision-maker to review applications for adult businesses as applicable:]
 - [I. The administrator shall make a decision within five working days after an application is accepted as complete in accordance with NRS 278.02327.]
 - [II. The city council shall hold a hearing promptly but in no event longer than 65 days from the date the appeal is filed.]
 - [III. If the applicant requests a continuance or a specified time or date for the matter to be heard, the time limitations provided herein are deemed waived.

]

h. [k.-]Appeal[. An aggrieved person may appeal the] process. The written decision of the administrator [by paying the appeal fee and filing an appeal to the city clerk with ten days of the date of the administrator's or building official's decision,]or other designated official representative of the City may be appealed in accordance with the appeal procedures provided under Section 18.06.208, as applicable.

[l. Setting the appeal.]

- [1. The city clerk shall set the appeal for the next available city council meeting at least 15 days in the future from the date of the appeal.]
- i. [m.]Judicial review[.][1...] Writ of Mandamus. Judicial review may be sought [it]in accordance with [Chapter 34 of the]NRS[.][2. If the city denies a "First Amendment" application, the city will institute legal proceedings within ten working days of its final action to determine in an adversarial proceeding the constitutionality of the denial on prior restraint grounds, unless otherwise waived by the applicant. For purposes of this subsection, a "First Amendment" application is one in which the applicant has inserted] 34.185 by the applicant if there is an allegation of an unconstitutional prior restraint of the applicant's rights under the [words, "]First Amendment["in the caption of the application.] of the U.S. Constitution or Section 9 of Article 1 of the Nevada Constitution.
- **SECTION 2.** The Reno City Council hereby finds that this ordinance is not subject to the requirements of Chapter 237 of NRS, Business Impact Statement process.
- **SECTION 3.** This Ordinance shall be in effect from and after its passage, adoption and publication in one issue of a newspaper printed and published in the City of Reno.
- **SECTION 4.** Should any section, clause, or provision of this Ordinance be declared by a court of competent jurisdiction to be unconstitutional or invalid, that decision shall not affect the validity of the ordinance as a whole or any part thereof other than the part declared to be unconstitutional or invalid.
- **SECTION 5.** The City Clerk and Clerk of the City Council of the City of Reno is hereby authorized and directed to have this Ordinance published in one issue of the Reno-Gazette Journal, a newspaper printed and published in the City of Reno.

	PASSED AND ADOPTED thithe Council:	is day of	, 2018, by the following
AYES:			
NAYS:	:		
ABSTA	AIN:	_ ABSENT:	

APPROVED this day of	, 2018.
	MAYOR OF THE CITY OF RENO
ATTEST:	
CITY CLERK AND CLERK OF THE CITY OF THE CITY OF RENO, NEVADA	COUNCIL
EFFECTIVE DATE:	